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Eighteenth session

SUMMARY RECORD OF THE 493RD MEETING

held at the Palais des Nations, Geneva,
on Tuesday, 25 August 1970, at 3 p.m.

Chairman: Mr. CASTELLANOS (Venezuela)

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The meeting was called to order at 3.30 p.m.

INTRODUCTORY STATEMENT BY THE SECRETARY-GENERAL OF UNCTAD

1. Mr. COREA (Secretary-General of UNCTAD) said that the eighteenth session of the Board was particularly important because one of the items on the agenda related to the fifth session of the Conference (UNCTAD V), and the Board's recommendations on the provisional agenda and organization would more or less determine the shape of UNCTAD V. He would, therefore, dwell on that subject and certain related issues.

2. For some time, intensive negotiations on a number of subjects had been taking place in UNCTAD. They resulted from UNCTAD's efforts to move towards the realization, through specific action, of broad objectives concerning the establishment of a new international economic order. A major negotiating process had been launched at UNCTAD IV. In his report to the Nairobi Conference he had drawn attention to the principal areas in which there was a need for new structures and new directions, including trade in primary products, manufactures and technology, money and finance, trade and other exchanges with the socialist countries and, particularly, economic co-operation among the developing countries. Those questions still remained crucial. They had all been examined at the fourth session when major decisions had been taken on some of them. It was necessary, therefore, to assess action that had been taken and to build on what might still be achieved. Hence UNCTAD V could not be viewed in isolation; rather, it must be seen as a further stage following UNCTAD IV, with the essential difference that it must look at the fundamental issues of new international relationships in the context of the new developments, concerns and perceptions that had since emerged. That would give it its unique character and its special opportunity. The new concerns that were clouding the horizon while others were heightened meant that UNCTAD V must respond to those new developments and help in the search for solutions by endorsing new actions and approaches. It must also, on the threshold of a new decade, stimulate fresh perceptions and help to fashion international policies for the years to come.

3. The UNCTAD secretariat had endeavoured to take account of those requirements in drafting the provisional agenda (TD/B/L.507, annex) submitted to the Board. In addition to providing for a general debate, the draft included a wide-ranging but fundamental item - item 8 - which should enable the Conference to set the particular issues with which it would be concerned against the broader background of the need for more fundamental structural changes in the world economy.

4. There was growing appreciation of a number of considerations relevant to that theme. For instance, it was increasingly recognized that current problems were so interrelated that they must be dealt with comprehensively and globally, and that many basic problems would not be solved by a mere recovery of the industrialized countries, with a return to past patterns of growth benefiting the developing countries only indirectly, but would require more basic

improvement

the developing countries with a view to reviewing the need for, deciding on, follow-up action. It would also be the occasion for review and improvement in other developments relevant to the framework of world trade, such as the elimination of restrictive business practices, concerning which UNCTAD had striven to formulate a set of rules and principles, and the generalized system of preferences, where the Conference' task would be to determine how the system could be further improved and strengthened in the light of the possible impact on it of the multilateral trade negotiations and other developments.

8. Since UNCTAD provided a unique body with the terms of reference to deal with interrelated issues in the field of trade, money and finance and development, those issues had also been the most difficult to handle. First of all, there was the problem of the environment in which they had to be tackled to the needs of the entire international community. Fundamental economic reform were taking place elsewhere, and UNCTAD could make a vital contribution to the great events of that sphere. It was in that connection that the need for the Conference to express itself forcefully and constructively on that issue.

9. There was a growing understanding of the link between such problems as the transfer of real resources, the balance-of-payments gap of developing countries, and the growing external indebtedness of those countries. Attempts had been made to respond to some of those problems, but in general they had been partial and fragmented attempts, and there was now a clearer understanding of the need for a coherent and co-ordinated framework of financial co-operation that would encompass all aspects of the problem. The Conference could make a major contribution to the development of such a co-ordinated framework. In addition, UNCTAD V must review progress made in implementing the agreement reached by the Board at its ministerial session on the question of the external debt of the developing countries.

10. The Conference would have to review and build upon the negotiations on the code of conduct for the transfer of technology and to consider further development of work on industrial property. It would also have to give further attention to issues concerning the technological transformation of the developing countries. UNCTAD V would have an opportunity to make a strong thrust in that area that could have relevance throughout the coming decade. It could also pronounce itself on the steps to be taken to give further impetus to UNCTAD's work relating to the revenue transfer of technology and to a co-operative exchange of skills among the developing countries themselves.

11. UNCTAD had increasingly become a forum where the problem of the especially disadvantaged countries received attention. The Conference could give a new and clear orientation to international policy in the 1980s in favour of the least developed countries and land-locked and island developing countries.

18. If it was to achieve those objectives, however, the Conference must meet in a constructive atmosphere. He had time and time again stressed the importance of making progress prior to UNCTAD V on questions currently under consideration. He was thinking in particular of the 1979 negotiating conference on the code of conduct for the transfer of technology, international agreements now under way in rubber and, of course, the Common Fund itself. He intended, after the next series, to inform the Board at its current session of the situation in respect of consultations on the Common Fund and the question of the date for the resumed Conference.

19. Mr. JARAMILLO (Colombia), speaking on behalf of the Group of 77, requested that the text of the statement by the Secretary-General of UNCTAD be distributed as an official document.

20. Mr. ABEDAMIO (Secretary of the Board) said that the financial implications of distributing the text (12 pages) in the official languages would amount to $3,120.

21. The CHAIRMAN said that unless there was any objection he would take it that the Board agreed that the statement by the Secretary-General of UNCTAD should be distributed as an official document.

22. It was so decided.

The meeting rose at 6.10 p.m.